

Medicaid Long-Term Services and Supports Update

Presentation for
LeadingAge
Nebraska

March 11, 2015



Division of Medicaid and Long-Term Care
Department of Health and Human Services

Nebraska Medicaid is resuming work to
develop a statewide managed care
program for the delivery of long-term
services and supports.

The targeted implementation date is
July 1, 2018.



DHHS Project Organization

Work will resume to:

- Develop the program design, identify implementation issues, and write Request for Proposal (RFP) requirements
- Evaluate Request for Proposal (RFP) recommendations received from stakeholder organizations
- Comply with the Centers for Medicare and Medicaid Services' (CMS) ten "essential elements"



Today's Presentation

1. Balancing Incentive Program Update
2. Basics: MLTSS Program Goals, Managed Care, MLTSS Populations, Services
2. CMS MLTSS "Essential Elements"
3. Projected Effect of Aging Population and Managed Care on LTSS Growth Rate
4. MLTSS Points of Interest



Balancing Incentive Program Update



MTLSS Program Goals

- Improve client health status and quality of life by better coordination of medical care, behavioral health care, and community-based services and supports;
- Promote client choice and use of the right services and supports at the right time in the right amount;
- Increase client access to responsive, quality services and supports; and
- Use financial resources wisely to sustain Nebraska Medicaid.



What is Managed Care?

1. A **health care delivery system** organized to manage:
 - Cost
 - Utilization
 - Quality
2. Usual Medicaid requirements **not** required of managed care:
 - Comparability
 - Freedom of Choice
 - Any Willing Provider
3. Must cover services in the benefits package in the same amount, duration, and scope as Fee-for-Service Medicaid
4. Can place limits on a service based on medical necessity or utilization control
5. Medical necessity cannot be more restrictive than Fee-for-Service



What is Managed Care? (cont.)

6. At-risk capitation payment:
 - The Managed Care Organization (MCO) is paid a per member per month (PMPM) amount and must manage delivery and payment of a defined scope of benefits to eligible clients;
 - The MCO:
 - Authorizes services;
 - Assign the client a Primary Care Provider (PCP);
 - Maintains a provider network;
 - Pays claims;
 - Offers case management and disease management;
 - May offer substitute or value-added services.



MLTSS Populations

Aged, Blind and Disabled (ABD) Clients:

Included

Aged/Disabled (AD)
Waiver
Traumatic Brain Injury
(TBI) Waiver
Katie Beckett eligible
Living at home (not in a
category above)
Living in nursing facilities

Excluded

Receiving
developmental
disabilities (DD)
services, including:
Residing in an ICF/DD
Receiving DD Waiver
or any other state-
funded DD services



MLTSS Covered Services

The MLTSS Program will integrate the following
services:

- Physical Health Care
- Behavioral Health Care
- Pharmacy
- Dental
- Nursing Facility
- Hospice
- Targeted Case Management
- Aged and Disabled Waiver Services
- TBI Waiver Services (Assisted Living)
- Personal Assistance Services



CMS' Ten "Essential Elements"

1. Adequate Planning and Transition Strategies
2. Stakeholder Engagement
3. Enhanced Provision of Home and Community Based Services

While the Essential Element #3 emphasizes the importance of enhanced provision of community LTSS, research and analysis indicates the effect of managed care upon nursing facilities will be mitigated by the growth rate of Nebraska's elderly population.



CMS' Ten "Essential Elements"

4. Alignment of Payment Structures and Goals
5. Support for Beneficiaries
6. Person-Centered Processes
7. Comprehensive, Integrated Service Package



CMS' Ten "Essential Elements"

- 8. Qualified Providers
- 9. Client Protections
- 10. Quality



Projected Effect of Managed Care on LTSS Growth Rate

According to the 2012 Profile of Nebraska Long-Term Services by the AARP Public Policy Institute:
There will be 66% more Nebraskans over the age of 75 in the next 20 years due to aging baby boomers and people living longer.



Projected Effect of Managed Care on LTSS Growth Rate

Percent Increase of Number of Medicaid Clients

	Custodial Nursing Facility Clients	HCBS Clients with NF LOC
Base year	n/a	n/a
5 years	-2%	37%
10 years	4%	72%
15 years	10%	99%
20 years	15%	119%

The table does not include the baby boom effect of non-Medicaid payors. With this effect, nursing facilities will care for 41% more residents in 20 years (including 66% increase in Medicare and private pay residents).



*Research and analysis conducted by Todd
Galloway, Actuary, JS3 Consulting*

Projected Effect of Managed Care on LTSS Growth Rate

In summary:

- The managed care impact to nursing facilities will be mitigated by the growth rate of Nebraska's elderly population.
- In 20 years, nursing facilities will care for 15% more Medicaid nursing facility clients as compared to today.
- Coupled with the baby boom effect on non-Medicaid payers, nursing facilities will care for 41% more members in 20 years (which includes a 66% increase in Medicare and private pay residents).



*Research and analysis conducted by Todd
Galloway, Actuary, JS3 Consulting*

Points of Interest

Provider Enrollment and Education

- The RFP will have requirements for network adequacy, including geographic location of providers and Medicaid enrollees, taking into account distance and travel time. Consideration will be given to requiring MCOs to contract with any willing provider of LTSS during the first contract period with the MCOs.
- The RFP will define criteria for network participation.
- The RFP will require provider education and technical assistance to facilitate a smooth transition.
 - » Eligibility and enrollment
 - » Payment, billing and claims submission
 - » Complaint and dispute resolution



Points of Interest

Rates and Payment

- DHHS will continue to set nursing facility and assisted living facility rates.
- Federal regulation defines timely payment of claims, which will be an RFP requirement. Nebraska Medicaid will have performance measures and contract incentives for exceeding timely payment.
- The State will monitor all aspects of MCO performance, including payment to providers.



Points of Interest

Client Enrollment and Eligibility

- The plan for initial client transition may include phased-in enrollment/plan selection. It is anticipated the go-live date will be the same for the entire MLTSS population.
- Nebraska contracts with an Enrollment Broker, a third-party to DHHS and the MCOs. The Enrollment Broker may provide enhanced support for MLTSS clients to explain managed care plans and choices.
- Level of Care determinations will follow Department regulation.



Points of Interest

Other

- The PACE program will continue to operate.
- Consumer and provider satisfaction will be included in quality measures required of the MCOs.
- The MCOs will be required to have a State-approved grievance process and the State's appeal process also will be available.
- The State will have an initial transition and communication plan for clients and providers. The plan must be approved by CMS.



Provide input via stakeholder survey
and stay informed:

<http://dhhs.ne.gov/medicaid/Pages/MLTSS.aspx>

Email:

DHHS.MedicaidMLTSS@nebraska.gov

Thank you!

